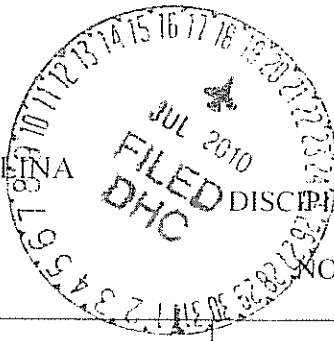


STATE OF NORTH CAROLINA

WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
10 DHC 27

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

HOLLY C. STEVENS, PAULINE E.
MAKIA, CARMEN J. BATTLE, and
JAMIE FAYE NEWSOM, Attorneys,

Defendants

COMPLAINT

Plaintiff, complaining of Defendants, alleges and says:

1. Plaintiff, the North Carolina State Bar ("State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar (Chapter 1 of Title 27 of the North Carolina Administrative Code).

2. Defendant Holly C. Stevens ("Stevens") was admitted to the North Carolina State Bar in 1998, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

3. Defendant Pauline E. Makia ("Makia") was admitted to the North Carolina State Bar in 2003, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

4. Defendant Carmen J. Battle ("Battle") was admitted to the North Carolina State Bar in 1995, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

5. Defendant Jamie Faye Newsom ("Newsom") was admitted to the North Carolina State Bar in 2005, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

Upon information and belief:

6. During all or part of the relevant periods referred to herein, Defendants were engaged in the practice of law in the State of North Carolina, including in Fayetteville, Cumberland County, North Carolina.

7. Beginning in about the year 1999, Stevens established a law office in Fayetteville, North Carolina. Beginning in about 1999 or 2000, Stevens began closing real estate transactions that involved Maurice Jenkins ("Jenkins"). Jenkins purported to be a real estate investor and someone who marketed properties to others for rental property investments.

8. From about 2000 through 2007, Jenkins engaged in fraudulent practices in his real estate transactions, including the following:

- a. same day "flips" where property was transferred from an owner to Jenkins, or an entity associated with him, and immediately transferred to the ultimate buyer, with the funds loaned to the ultimate buyer being used to fund the transfer from the initial owner to Jenkins;
- b. purchases disguised as refinances, where buyers obtained what purported to be refinance loans, the proceeds of which were used, however, for the buyers to purchase the properties at issue;
- c. arranging for money from closings that should have been disbursed to pay off prior deeds of trust on properties or for other purposes to instead be disbursed for Jenkins' benefit; and
- d. borrowers not paying the amounts listed on the HUD-1 Settlement Statements as due from the borrower at closing, with such amounts instead being deducted from sales proceeds otherwise due to the seller, contrary to the intent of the lenders.

9. Jenkins was convicted of one count of bank fraud, in violation of 18 U.S.C. § 1344, on November 3, 2009.

10. Stevens closed real estate transactions involving Jenkins and these fraudulent practices between 2000 and 2006, including the transactions listed in Exhibit A. The transactions listed in Exhibit A provide examples of the conduct

described herein and are not an exclusive list of transactions in which this conduct occurred.

11. In these transactions, Stevens assisted Jenkins in his fraud, including as follows:

- a. creating HUD-1 Settlement Statements that contained false information and/or that failed to accurately portray the true nature of the transaction;
- b. conveying false information about the transactions to the lenders;
- c. manipulating the timing of submission of preliminary opinions of title to hide flips;
- d. placing false owner information on preliminary opinions of title;
- e. failing to collect funds due from borrowers as identified on the HUD-1 Settlement Statements; and
- f. disbursing funds contrary to the information on the HUD-1 Settlement Statements for Jenkins' benefit.

12. Stevens' non-attorney staff assisted Stevens in the execution of the above listed conduct.

13. Stevens also participated with Jenkins in the purchase and sale of properties by and through The Eddie Peyton Group, LLC, an entity in which Stevens had an ownership interest, including transactions involving the above identified fraudulent practices.

14. In addition to assisting Jenkins' commission of criminal conduct, Stevens knowingly provided false information to lenders insured by the Federal Deposit Insurance Corporation (FDIC) for the purpose of influencing the lenders' actions and thereby engaged in criminal conduct in violation of 18 U.S.C. § 1014.

15. In about 2004, Stevens contemplated closing her law office and selling her law practice. Makia worked with Stevens briefly in 2003. Makia considered buying Stevens' law practice but decided instead to open her own law office in Fayetteville, NC.

16. Although Makia had very little experience in real property law or in closing real estate transactions, Makia undertook, nonetheless, to engage in this area of the practice of law. Exhibit B to this complaint contains a list of real estate transactions closed by Makia. The transactions listed in Exhibit B provide examples of the conduct described herein and are not an exclusive list of transactions in which this conduct occurred.

17. Makia hired non-attorney assistants who had previously worked for Stevens to do the work for the real estate closings. Makia failed to provide the necessary

supervision of her assistants and their work to ensure compliance with the Rules of Professional Conduct in real estate transactions closed by her office. Makia's lack of supervision included the following:

- a. failing to ensure prior deeds of trust were being paid off from the funds at closing;
- b. failing to ensure proper handling of entrusted funds;
- c. failing to ensure compliance with lender closing instructions; and
- d. failing to review and supervise the preparation of the preliminary and final opinions of title.

18. Makia failed to ensure that disbursements occurred as listed on the HUD-1 Settlement Statements. Moreover, Makia was aware and allowed Stevens to direct her to pay seller's proceeds to Jenkins instead of as listed on the HUD-1 Settlement Statement. Makia also failed to ensure the funds listed as due from the borrower at closing were in fact collected from the borrower at closing. Consequently, Makia failed to ensure the lenders were provided accurate information on the HUD-1 Settlement Statements provided to them by her office.

19. Makia failed to ensure deeds and deeds of trust from real estate transactions were promptly recorded and failed to ensure that deeds and deeds of trust were recorded before funds were disbursed.

20. Makia closed several real estate transactions involving Jenkins and/or Stevens. Makia's inexperience and her failure to supervise her staff and these closings enabled Jenkins to continue to engage in fraudulent conduct assisted by Makia's office.

21. Makia's inexperience and failure to supervise her staff also affected other real estate transactions, including the two transactions involving lender Homecoming Financial Network (HFN) listed in Exhibit B.

22. Makia failed to follow HFN's closing instructions in these two residential real estate transactions. In these transactions, the lender's instructions required the closing agent to notify the lender in writing if the property had changed hands in the 180 days immediately prior to closing, to notify the lender if the agent had knowledge of previous, concurrent, or subsequent transactions involving the borrower or subject property, and to not close or fund the loans if the agent had knowledge of a concurrent or subsequent transaction which would transfer the property. In both transactions, Makia was in possession of an unrecorded deed by which the seller obtained the property within the 180 days preceding the closings. Makia failed to notify the lender of these prior transfers and closed these transactions.

23. Makia failed to maintain and disburse HFN's entrusted funds appropriately in both of these transactions. Makia disbursed HFN's funds prior to recording the deeds and deeds of trust from the transactions.

24. For both of these HFN transactions, the title insurance company's Commitment For Title Insurance documents incorrectly listed Forever Young, Inc. as owner of these properties when Forever Young, Inc. did not yet own the properties. The incorrect information was the result of false information communicated to the title insurance company by Makia's office. Makia failed to ensure her staff accurately identified the owners of the properties on communications to the title insurance company.

25. Stevens continued operating her law office and closing transactions associated with Jenkins between 2004 and 2006. By about January 2006, Stevens had moved to Arkansas and was again exploring selling her law practice. Battle began talking with Stevens in about January 2006 about buying Stevens' law practice.

26. To show her interest in the purchase, Battle covered Stevens' cases and opened a trust account and an operating account for use in conducting real estate closings. In January 2006, Battle also provided her signature to Stevens' staff so the staff could order a signature stamp for use in the real estate closings.

27. On February 1, 2006, Stevens and Battle were scheduled to sign the agreement for Battle to purchase Stevens' practice but did not do so. Negotiations continued for about a month afterwards but ultimately failed. By the end of May 2006 Battle had begun other employment in Raleigh and Newsom had purchased Stevens' law practice.

28. Between about February 2006 through about May 2006, Battle's trust account and operating account and Battle's signature stamp were used by the non-attorney assistants in Stevens' office to close real estate transactions under Battle's name, including those listed in Exhibit C to this complaint. The transactions listed in Exhibit C provide examples of the conduct described herein and are not an exclusive list of transactions in which this conduct occurred.

29. In these transactions, Battle did not supervise the non-attorney assistants in Stevens' office and did not supervise these real estate transactions in any way.

30. Battle failed to reconcile the trust account to which she had given Stevens' staff access. Battle also failed to ensure the entrusted funds from the lenders in the real estate transactions closed under her name were properly disbursed.

31. Battle's failure to supervise the staff and these closings enabled the staff to continue to assist Jenkins in his fraudulent practices, previously described herein.

32. Battle, through her lack of participation in these closings, also failed to ensure compliance with lenders' closing instructions in these transactions done in her name.

33. In about April 2006, Newsom purchased Stevens' law practice and began to take over the real estate closings.

34. Newsom closed several transactions involving Jenkins and the fraudulent practices previously identified herein, including the transactions listed in Exhibit D. The transactions listed in Exhibit D provide examples of the conduct described herein and are not an exclusive list of transactions in which this conduct occurred.

35. Newsom did not have any training or experience in real property law or real estate closings. Newsom relied on Stevens' former staff to perform the work for real estate closings, including searching title, preparing title opinions, preparing HUD-1 Settlement Statements and other closing documents, and disbursing the funds for the closings.

36. Although Newsom attended and conducted many of the closings, Newsom failed to supervise the staff and the work done for the closings. Furthermore, Newsom failed to compare the HUD-1 Settlement Statements with the actual disbursement of funds to ensure proper disbursement of these entrusted funds. Newsom's failure to supervise the staff and these closings enabled the staff to continue to assist Jenkins in his fraud as previously described herein.

37. Among the closings Newsom attended and conducted were closings involving Jenkins where the HUD-1 Settlement Statements showed funds due from the buyer/borrower at closing. Newsom failed to ensure these funds were collected from the buyer/borrower at closing. Routinely, these amounts were deducted from the proceeds due to the seller (typically a company associated with Jenkins) rather than collected from the buyer/borrower as represented on the HUD-1 Settlement Statements.

38. Newsom's failure to collect funds represented on the HUD-1 Settlement Statements as received from the borrower resulted in lenders receiving inaccurate information on the HUD-1 Settlement Statements and, in some instances, directly violated provisions of the lenders' closing instructions.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- a) By knowingly failing to collect funds due from borrowers, failing to pay off prior deeds of trust, preparing HUD-1 Settlement Statements containing inaccurate information and/or that failed to accurately portray the true nature of the transactions, providing inaccurate information to the lenders about the transactions, and disbursing funds contrary to the HUD-1 Settlement Statements in order to benefit Jenkins and/or herself, Stevens engaged in, and assisted Jenkins in engaging in, criminal conduct involving dishonesty, fraud, misrepresentation, and deceit in violation of Rule 8.4(a), (b), and (c);
- b) By failing to receive and disburse funds as represented on the HUD-1 Settlement Statements, Stevens, Makia, Battle, and Newsom failed to

appropriately maintain and disburse entrusted funds in violation of Rule 1.15-2(a) and (m);

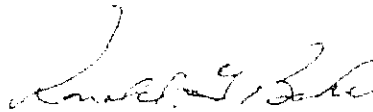
- c) By providing lenders with HUD-1 Settlement Statements that did not accurately represent the receipt and disbursement of funds in the given transactions, Makia and Newsom engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c);
- d) By practicing in an area of law without sufficient training or experience and by delegating tasks involving the practice of law to non-attorney assistants without providing adequate or meaningful supervision, Makia and Newsom handled legal matters they were not competent to handle in violation of Rule 1.1 and failed to make reasonable efforts to ensure that the non-attorney assistants' conduct was compatible with their professional obligations in violation of Rule 5.3(b);
- e) By failing to comply with lender's closing instructions in residential real estate transactions, Makia failed to represent a client with reasonable diligence in violation of Rule 1.3;
- f) By providing non-attorney assistants access to her trust account and her signature stamp for use in real estate transactions, failing to reconcile the trust account, and failing to participate in or supervise the real estate transactions, Battle failed to act with reasonable diligence in representing clients in violation of Rule 1.3, failed to reconcile her trust account quarterly in violation of Rule 1.15-3(d)(1), failed to make reasonable efforts to ensure that the non-attorney assistants' conduct was compatible with her professional obligations in violation of Rule 5.3(b), and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

WHEREFORE, Plaintiff prays that:

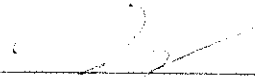
- (1) Disciplinary action be taken against Defendants in accordance with N.C. Gen. Stat. § 84-28(a) and § .0114 of the Discipline and Disability Rules of the North Carolina State Bar (27 N.C.A.C. 1B § .0114), as the evidence on hearing may warrant;
- (2) Defendants be taxed with the fees and costs permitted by law in connection with this proceeding; and

(3) For such other and further relief as is appropriate.

The 11th day of July, 2010.



Ronald G. Baker, Sr., Chair
Grievance Committee



Jennifer A. Porter
Deputy Counsel
State Bar No. 30016
The North Carolina State Bar
P.O. Box 25908
Raleigh, NC 27611
919-828-4620

Attorney for Plaintiff

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	Department of Veterans Affairs		455 Balfour Place Fayetteville, NC 28311	3/4/05
Advantage Investor Enterprises, LLC	Lessane Properties, LLC	New Century Bank	455 Balfour Place Fayetteville, NC 28311	3/7/05
James Jerome Philpot	Advantage Investor Enterprises, LLC	Long Beach Mortgage	455 Balfour Place Fayetteville, NC 28311	4/21/05
Lessane Properties, LLC	Secretary of Veterans Affairs		4124 Faison Avenue Fayetteville, NC 28303	3/16/05
Advantage Investor Enterprises, LLC	Lessane Properties, LLC	New Century Bank	4124 Faison Avenue Fayetteville, NC 28303	3/17/05
Lessane Properties, LLC	Secretary of Veterans Affairs		7647 Fletcher Drive Fayetteville, NC 28304	3/16/05
Advantage Investor Enterprises, LLC	Lessane Properties, LLC	New Century Bank	7647 Fletcher Drive Fayetteville, NC 28304	3/17/05
Lessane Properties, LLC	CitiFinancial Mortgage Company, Inc.		301 Bighorn Drive Fayetteville, NC 28303	3/21/05
Patricia McIver	Lessane Properties, LLC	New Century Bank	301 Bighorn Drive Fayetteville, NC 28303	3/24/05
Lessane Properties, LLC	ABN AMRO Mortgage Group Inc.		815 Precision Court Hope Mills, NC 28348	6/6/05
Advantage Investor Enterprises, LLC	Lessane Properties, LLC	New Century Bank	815 Precision Court Hope Mills, NC 28348	6/6/05

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	Tiger Relocation Company		7329 Hypony Trail Parkton, NC 28371	7/25/05
	Lessane Properties, LLC	First Capital Bank	7329 Hypony Trail Parkton, NC 28371	7/25/05
Lessane Properties, LLC	Deutsche Bank National Trust		7328 Hypony Trail Parkton, NC 28311	8/9/05
Shemise Malone	Lessane Properties, LLC	First Capital Bank	7328 Hypony Trail Parkton, NC 28311	8/9/05
Lessane Properties, LLC	Deutsche Bank National Trust		816 Precision Court Hope Mills, NC 28348	8/11/05
Patricia Lessane	Lessane Properties, LLC	First Capital Bank	816 Precision Court Hope Mills, NC 28348	8/11/05
Lessane Properties, LLC	Felecia B. Neal and wife, David L. Neal		123 Linwood Road Fayetteville, NC 28306	9/6/05
Advantage Investors Enterprises, LLC	Lessane Properties, LLC	New Century Bank	123 Linwood Road Fayetteville, NC 28306	9/6/05
Lessane Properties, LLC	Citifinancial Mortgage Co. Inc.		124 Golf Drive Fayetteville, NC 28303	9/26/05
Patricia Lessane	Lessane Properties, LLC	New Century Bank	124 Golf Drive Fayetteville, NC 28303	9/26/05
Lessane Properties, LLC	Terri J. Young and wife, Kenneth R. Young		1703 Bragg Boulevard Fayetteville, NC 28303	10/20/05
Stewart E. James	Lessane Properties, LLC	New Century Bank	1703 Bragg Boulevard Fayetteville, NC 28303	10/20/05

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	JP Morgan Chase Bank		6530 Amanda Circle Fayetteville, NC 28304	10/20/05
Stewart E. James	Lessane Properties, LLC	New Century Bank	6530 Amanda Circle Fayetteville, NC 28304	10/20/05
Jacquelyn and Timothy Price	Stewart E. James	Primary Residential Mortgage	6530 Amanda Circle Fayetteville, NC 28304	12/29/05
Lessane Properties, LLC	Bank of New York		8214 Beaver Dam Road Autryville, NC 28318	10/20/05
Patricia Lessane	Lessane Properties, LLC		8214 Beaver Dam Road Autryville, NC 28318	10/20/05
Robert Moreau	Patricia Lessane	Long Beach Mortgage	8214 Beaver Dam Road Autryville, NC 28318	3/23/06
Lessane Properties, LLC	Citifinancial Mortgage Company, Inc.		1842 Dewsberry Place Fayetteville, NC 28304	10/26/05
Stewart E. James	Lessane Properties, LLC	First Capital Bank	1842 Dewsberry Place Fayetteville, NC 28304	10/26/05
Robert Moreau	Stewart E. James	Long Beach Mortgage	1842 Dewsberry Place Fayetteville, NC 28304	3/2/06
Lessane Properties, LLC	Wells Fargo Bank, NA		10802 Plantation Road Laurinburg, NC 28352	10/28/05
	Lessane Properties, LLC	First Bank	10802 Plantation Road Laurinburg, NC 28352	10/28/05

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	Federal National Mortgage Association		3235 Hennardland Place Hope Mills, NC 28348	12/9/05
Allen Whitley	Lessane Properties, LLC	First Capital Bank	3235 Hennardland Place Hope Mills, NC 28348	12/9/05
Lessane Properties, LLC	Dennis McCarthy and wife, Elizabeth McCarthy		204 Bertram Drive Fayetteville, NC 28314	12/27/05
Jon and Alicia Shields	Lessane Properties, LLC	First Capital Bank	204 Bertram Drive Fayetteville, NC 28314	12/27/05
Brian M. Colangelo	Jon and Alicia Shields	Long Beach Mortgage	204 Bertram Drive Fayetteville, NC 28314	3/29/06
Lessane Properties, LLC	Fannie Mae		1822 Broadell Drive Fayetteville, NC 28311	12/30/05
Patricia Lessane	Lessane Properties, LLC	First Capital Bank	1822 Broadell Drive Fayetteville, NC 28311	12/30/05
Lessane Properties, LLC	Patricia Lessane	Lumbee Guaranty Bank	1822 Broadell Drive Fayetteville, NC 28311	1/25/06
William Nobles, Jr.	Lessane Properties, LLC	Primary Residential Mortgage	1822 Broadell Drive Fayetteville, NC 28311	2/23/06
Clevette Brown	Lessane Properties, LLC		6211 Glenlea Circle Fayetteville, NC 28314	1/5/06

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties	Fannie Mae	None	2900 El Dorado Rd Fayetteville, NC	1/26/06
Lessane Properties	None	First South Bank	2900 El Dorado Rd Fayetteville, NC	1/26/06

Transactions associated with Jenkins:

Buyer/Borrower	Seller	Lender	Address	Date
Patricia Lessane	The Eddie Peyton Group	First South Bank	21 Calcasieu Drive Parkton, NC 28371	2/10/06
Idrena Young	Lessane Properties, LLC	Loan City	50 Vermillion Drive Parkton, NC 28371	10/24/06
Shenice Malone	Lessane Properties, LLC	Loan City	61 Vermillion Drive Parkton, NC 28371	10/31/06
Wanda Jenkins	None (refinance)	CIT Group	4701 Flintcastle Road Fayetteville, NC 28314	11/1/06
Shenice Malone	The Eddie Peyton Group	Loan City	161 Vermillion Drive Parkton, NC 28371	11/15/06

Transactions not associated with Jenkins:

Buyer/Borrower	Seller	Lender	Address	Date
Crystal Broxton	Forever Young, Inc.	Homecoming Financial Network	10444 Minnie Hall Rd Salemberg, NC 28385	12/21/04
Karen Boehmer	Forever Young, Inc.	Homecoming Financial Network	2511 Brinkley Drive Spring Lake, NC 28390	1/7/05

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	Homecomings Financial Network		128 Vermillion Drive Parkton, NC 28371	2/28/06
The Eddie Peyton Group	Lessane Properties, LLC	First South Bank	128 Vermillion Drive Parkton, NC 28371	3/6/06
Brownfield Investments	The Eddie Peyton Group	First South Bank	2337 Everena Drive Fayetteville, NC 28301	3/6/06
Lessane Properties, LLC	HSBC Bank USA		236 Vermillion Drive Parkton, NC 28371	3/9/06
Lessane Properties, LLC		Peoples National Bank	236 Vermillion Drive Parkton, NC 28371	3/9/06
Lessane Properties, LLC	Bank of New York		178 Vermillion Drive Parkton, NC 28371	3/22/06
The Eddie Peyton Group	Lessane Properties, LLC	Peoples National Bank	178 Vermillion Drive Parkton, NC 28371	3/22/06
Lessane Properties, LLC	LaSalle Bank		211 Vermillion Drive Parkton, NC 28371	3/31/06
The Eddie Peyton Group	Lessane Properties, LLC	First South Bank	211 Vermillion Drive Parkton, NC 28371	3/31/06
Julia Deans	The Eddie Peyton Group	SunTrust Mortgage, Inc.	954 E. McRainey Drive St. Pauls, NC 28384	4/25/06

Buyer/Borrower	Seller	Lender	Address	Date
Sylvester Hutcherson	Solid Property Investments	First Choice Funding, Inc.	2708 Daly Avenue Spring Lake, NC 28390	5/15/06
Allen Whitley	Jason Harris	SunTrust Mortgage, Inc.	1014 Holloway Street Durham, NC 27701	5/17/06
James McLean	Lessane Properties, LLC	Wachovia Bank, N.A.	7343 Hyannis Drive Fayetteville, NC 28304	7/26/06
Ronald Patterson	Maurice and Wanda Jenkins	Sebring Capital Partners, LIMI	236 Vermillion Drive Parkton, NC 28371	8/18/06
Regina Vines	Lessane Properties, LLC	SunTrust Mortgage, Inc.	1011 Abrams Street Fayetteville, NC 28311	9/22/06
Ronald Patterson	Lessane Properties, LLC	SunTrust Mortgage, Inc.	184 Calcasieu Road Parkton, NC 28371	10/4/06
Elizabeth P. Elias	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	5694 Matt Hair Road Fayetteville, NC 28312	12/5/06
Stewart James	Lessane Properties, LLC	Mortgageit, Inc.	181 Calcasieu Road Parkton, NC 28371	4/11/07
Harold Baptiste	Lessane Properties, LLC	Wachovia Bank, N.A.	7175 Lansing Court Fayetteville, NC 28303	4/30/07
Lesia Herron	Lessane Properties, LLC	Carter Bank & Trust	6110 Twiggs Court Hope Mills, NC 28348	5/9/07

Buyer/Borrower	Seller	Lender	Address	Date
Lesia Herron	Lessane Properties, LLC	Lime Financial LTD	514 Suffolk Court Fayetteville, NC 28311	5/10/07
Stewart James	The Eddie Peyton Group	Greenpoint Mortgage Funding	55 Acadiana Drive Parkton, NC 28371	5/21/07
Lesia Herron	Lessane Properties, LLC	Mortgageit, Inc.	321 Nugget Court Fayetteville, NC 28311	5/23/07
Lesia Herron	Lessane Properties, LLC	Equity One, Inc.	212 Lacock Street Spring Lake, NC 28390	6/20/07
Sangie and Anthony Bass	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	1391 Elliot Farm Road Fayetteville, NC 28311	7/26/07
Levander Taylor	Patricia Lessane	Greenpoint Mortgage Funding	158 Acadiana Drive Parkton, NC 28371	7/27/07
Sangie Bass	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	1078 Tower Drive Hope Mills, NC 28348	8/17/07
Anthony and Sangie Bass	Lessane Properties, LLC	Greenpoint Mortgage Funding	2324 Lake Avenue Fayetteville, NC 28301	8/22/07
Sangie Bass	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	820 Burnett Lane Godwin, NC 28344	8/28/07
Levander Taylor	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	10802 Plantation Drive Laurinburg, NC 28306	8/28/07

Buyer/Borrower	Seller	Lender	Address	Date
Lessane Properties, LLC	Fannie Mae		205 Vermillion Drive Parkton, NC 28371	11/21/07
Anthony Bass	<i>Lessane Properties, LLC</i>	Wachovia Bank, N.A.	205 Vermillion Drive Parkton, NC 28371	11/21/07
Anthony Bass	Lessane Properties, LLC	New Century Bank South	346 Wagoner Drive Ste 105 Fayetteville, NC 28303	3/28/08

¹ Italicized seller name indicates a purchase structured as a refinance transaction.